

Commonwealth of Massachusetts  
Department of Telecommunications and Energy  
Fitchburg Gas and Electric Light Company  
Docket No. D.T.E. 02-24/25  
Record Request Response

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**Record Request No.: AG-RR-7**

Does the Company have a copy of the compensation surveys used in the 1997 Hay Group Report?

**Response:**

No. As indicated in the response to Request AG-7-12 (Electric), the Company does not currently have in its possession the compensation surveys the Company used in 1997 to benchmark the recommendations in the Hay Group Study. Those annual surveys were created by nationally-recognized consulting firms like the Hay Group, Watson Wyatt, Towers Perrin and Compdata, as well as by industry associations like the American Gas Association ("AGA") and the Edison Electric Institute ("EEI"), for the use of companies like Unitil to determine the reasonableness of their compensation programs. These surveys are costly and stringent copyright protection is maintained over the information. Each year or so, the surveys are updated, and each year Unitil Service Corp. purchases the surveys in order to evaluate anew the competitiveness of the Hay Group recommendations and its compensation program for all employees. As part of its routine practice, the Human Resources department at Unitil Service Corp. discards the previous volumes as they are updated. Unitil Service Corp. has the most recent compensation surveys.

In response to the Attorney General's request, FG&E has contacted each of the consulting firms and industry associations referenced above to seek permission for the Department and the parties, pursuant to appropriate protective treatment, to view the most recent surveys which are in the Company's possession. They have indicated their assent to review this information in the offices of FG&E's counsel, without releasing their claim to copyright protection. They have further requested that the surveys remain in this office, that no photocopies be made of the surveys, and that all notes taken are destroyed after the docket is closed. The AGA prefers that only the summary pages of the survey be reviewed.

Accordingly, the surveys are available for inspection upon contact with FG&E's counsel.

**Person Responsible:** Mark H. Collin